



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

June 16, 2014

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To: Supervisor Don Knabe, Chairman
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From: William T Fujioka
Chief Executive Officer

MOTION ON FEDERAL VETERANS' HEALTH CARE LEGISLATION (SUPPLEMENTAL AGENDA ITEM NO. 67-B, MEETING OF JUNE 17, 2014)

Item No. 67-B on the June 17, 2014 Supplemental Agenda is a motion by Supervisor Knabe that directs the Chief Executive Officer to work with the Director of Health Services to analyze the Veteran Access to Care Act (H.R. 4810), H.R. 3230, or similar Federal legislation, which could lay the groundwork for an expanded partnership between the County and the Department of Veterans Affairs (VA) to provide health care to veterans, and report back in 30 days; and that the Board of Supervisors send a letter to the Los Angeles County Congressional Delegation informing them of the County's strong support of H.R. 4810, H.R. 3230, or similar legislation that would enable veterans to receive medical care on a timely basis from non-VA facilities, such as the County's.

Federal Veterans' Health Care Legislation (H.R. 4810 and H.R. 3230)

Last week, both houses of Congress passed bills to improve the access of veterans to health care after an internal audit, which found systematic problems in the provision of health care to veterans, was released on June 9, 2014. This nationwide audit found that more than tens of thousands of veterans had been waiting for medical appointments for many weeks longer than the VA's two-week wait time goal. According to the audit results, there were lengthy average wait times in the VA's Los Angeles Greater Los Angeles Healthcare (VA-GLA) and Long Beach systems, which serve veterans living in Los Angeles County. The average wait time for new primary care appointments was 56.2 days in the VA-GLA and 55.1 days in Long Beach, while the average wait time for specialty care appointments was 55.1 days in the VA-GLA and 50.6 days in Long Beach.

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On June 10, 2014, the House passed, 426 to 0, the Veteran Access to Care Act of 2014 (H.R. 4810) while the Senate passed 93 to 3, the Veterans' Access to Care through Choice, Accountability, and Transparency Act of 2014 (H.R. 3230) on June 11, 2014. Both bills would enable veterans to obtain the medical care from non-VA providers, including potentially the County, if the VA cannot provide them care within its current wait time goal of two weeks or if they live more than 40 miles from a VA facility. Veterans, who are enrolled in the VA's health care system and who meet such criteria, would be empowered to select their providers, including from providers not under contract with the VA.

Non-VA providers would be reimbursed by the VA for the cost of providing health care to veterans. One major difference between the two bills is that the added cost of providing health care to all veterans within the two-week wait time goals would be mandatory (entitlement) spending in the Senate-passed bill, but would be discretionary spending (subject to available appropriations) in the House bill. The Congressional Budget Office has estimated that H.R. 3230, the Senate-passed bill, will increase mandatory spending by roughly \$35 billion over ten years. Conference negotiations on the legislation are expected to begin soon and to be completed quickly with the biggest issue being how to finance its costs.

County Impact and Conclusion

If H.R. 4810 or H.R. 3230 is enacted, veterans could opt to receive medical care from the County's Department of Health Services (DHS), and the County would be eligible to be reimbursed for the cost of providing care to veterans, regardless of whether the VA enters into a contract with the County. The Senate version would provide Federal reimbursement on an entitlement basis, similar to Medicaid and Medicare, but the House bill would make reimbursement subject to available appropriated funds, which may or may not be sufficient to reimburse all allowable costs.

The fiscal impact of this legislation on the Federal government or potential non-VA health providers, such as the County, cannot be estimated with any certainty because most veterans currently do not enroll in the VA's health care system. Many more veterans might enroll in the system if medical care were available on a timelier basis, including from non-VA providers that can be selected by veterans. The Legislation should lead to more veterans using County-provided health services with the County receiving additional Federal health revenue. The magnitude of the impacts on the County will depend on the extent to which local veterans who cannot be served at VA facilities within two weeks, instead, receive medical care at County facilities.

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The Chief Executive Office and DHS support this legislation and the motion. The County's Federal Legislative Agenda also includes policies to support proposals which would provide for the care of former Armed Services members with spinal cord and traumatic brain injuries at the Rancho Los Angeles National Rehabilitation Center under a contract with the Federal government, and to support proposals and funding which expand and improve access to health and mental health services for the uninsured and other populations with special needs. **Support for: 1) this motion to analyze H.R. 4810, H.R. 3230, or similar legislation, which could lay the groundwork for an expanded partnership between the County and the VA to provide health care to veterans; and 2) to send a letter supporting legislation that would enable veterans to receive medical care on a timely basis from non-VA facilities, such as the County's, to the County's Congressional Delegation, therefore, is consistent with existing Board-approved policy.**

We will continue to keep you advised.

WTF:RA
MR:MT:ma

c: Executive Office, Board of Supervisors
County Counsel